



2004
Annual Report
to the
Public Service Commission

**PRIVATE UTILITY
ANNUAL REPORT**
Class C or D

St. Croix Valley Natural Gas Company, Inc.
212 N. Main Street, River Falls, WI 54022

For the year ended December 31, 2004

The financial portion of this report was prepared with the assistance of
Larson, Allen, Weishair & Co., L.L.P. who performed an accounting review.

Correspondence concerning this report should be addressed to Donald J. Piepgras,
President, (715) 425-6177.

I, Donald J. Piepgras, of St. Croix Valley Natural Gas Company, Inc.,
certify that I am the person responsible for accounts, that I have examined
the following report and to the best of my knowledge, information and
belief, it is a correct statement of the business and affairs of said utility
for the period covered by the report in respect to each and every matter
set forth therein.

Donald J. Piepgras

(Signature)

Donald J. Piepgras
President

March 3, 2005

(Date)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: St. Croix Valley Natural Gas Company, Inc.
Utility Address: 212 N. Main Street, River Falls, WI 54022
When was the utility organized? May 18, 1962

Report any change in name and the effective date: None

Officer in charge of correspondence concerning this report

Name: Donald J. Piepgras, President
Office address: P.O. Box 6, River Falls, WI 54022
Telephone: (715) 425-6177

Give name and address of individual or firm, if other than utility employee, preparing this report:

Larson, Allen, Weishair & Co., LLP
2411 N. Hillcrest Pkwy, P.O. Box 810, Eau Claire, WI 54702
(715) 852-1100

List companies owned, controlled, or operated and form and extent of such ownership, control or operation: None

OFFICERS AND DIRECTORS

Name, Title/Occupation and Business Address	Length of Term	Term Expires	Meetings Attended
Donald J. Piepgras President* and Treasurer*			1
Martha W. Piepgras Vice President* and Secretary*			1
Judith Snoeyenbos Assistant Treasurer			0
Dr. Richard P. Piepgras*			1
George A. Hauser			1
*Terms are continuous			

COMMON STOCKHOLDERS

From the stockholder list nearest the end of the year report the greater of: 1) the ten largest shareholders of voting securities or 2) all shareholders owning 5% or more of voting securities. List names, addresses and shareholdings.

If any stock is held by a nominee give known particulars as to the beneficiary. (See s.196.795(1)(c), Wis. Stats., for definition of beneficiary).

Date of stockholder's list nearest end of year: December 31, 2004

*Number of stockholders on above date: Common - 4 Preferred - 0 Total - 4

*Number of stockholders in Wisconsin: Common - 3 Preferred - 0 Total - 3

Percent of outstanding stock owned by Wisconsin stockholders Common - 99.86% Preferred - N/A

**include shares held by depositories (if known)*

Name and address	No. of shares common stock
Donald J. Piepgras 1619 Golf View Drive River Falls, WI 54022	300,866
Martha W. Piepgras 1619 Golf View Drive River Falls, WI 54022	15,500
Dr. Richard P. Piepgras 9913 Legionville Drive North Brainerd, MN 56401	450
Gerald E. and Carol M. Lindquist Revocable Trust 752 Blue Spruce Lane Hudson, WI 54016	100
TOTAL	316,916

INCOME AND RETAINED EARNINGS STATEMENT

Particulars	Acct. No.	Page	This Year	Last Year
UTILITY OPERATING INCOME				
Operating Revenues	400	G-1	7,847,954	7,117,125
Operating Expenses				
Operation expense	401	G-3	7,353,217	6,566,429
Maintenance expense	402	G-3	76,486	61,319
Depreciation expense	403	G-1	144,483	162,816
Amortization expense	404-406		12,937	12,937
Amortization of property losses	407			
Taxes other than income taxes	408.1	G-1	87,210	110,812
Income taxes	409.1	G-1	391	-
Invest. tax cr., defer. to future periods	412.1			
Invest. tax cr., restored to oper. income	412.2			
Total operating expenses		G-1	7,674,724	6,914,313
Operating income		G-1	173,229	202,812
Income from utility plant leased to others	413	F-3	-	-
Gains (losses) from disp. of utility property	414	F-3	-	-
Total operating income			173,229	202,812
OTHER INCOME AND DEDUCTIONS				
Other Income:				
Income from merch., jobbing and contr. work	415-416	F-2	19,316	24,907
Income from non-utility operations	417	F-3	-	-
Nonoperating rental income	418	F-3	-	-
Interest and dividend income	419	F-3	1,996	2,011
Allowance for funds used during construct.	420			
Misc. nonoperating income	421	F-3	110,231	-
Gains (losses) from disposition of property	422	F-3	-	-
Total other income			131,543	26,918
Other income deductions:				
Miscellaneous amortization	425	F-3	-	-
Miscellaneous income deductions	426	F-3	15,537	4,438
Total other income deductions			15,537	4,438
Taxes applicable to Other Income and Deductions				
Taxes other than income taxes	408.2			
Income taxes	409.2		(388)	(342)
Investment tax cr., nonutility oper., net	412.4			
Total taxes on other income & ded.			(388)	(342)
Net other income and deductions			116,394	22,822
INTEREST CHARGES				
Interest on long-term debt	427		47,042	53,099
Amortization of debt discount and expense	428			
Amortization of premium on debt -- Cr.	429			
Interest on debt to assoc. companies	430			
Other interest expense	431		1,885	836
Total interest charges			48,927	53,935
Income before extraordinary items			240,696	171,699
EXTRAORDINARY ITEMS				
Extraordinary income	433			
Extraordinary deductions	434			
Income taxes, extraordinary items	409.3			
Total extraordinary items			-	-
Net Income			240,696	171,699

INCOME AND RETAINED EARNINGS STATEMENT (Cont.)

Account	Acct. No.	Page	This Year	Last Year
RETAINED EARNINGS				
Unappropriated retained earnings (at beginning of period)			919,112	868,015
Change:				
Balance transferred from income	435	F-1	240,696	171,699
Appropriations of retained earnings	436			
Dividends declared -- preferred stock	437			
Dividends declared -- common stock	438		(118,400)	(120,602)
Adjustments to retained earnings	439			
Net charge to retained earnings			122,297	51,097
Unappropriated retained earnings (at end of period)			1,041,408	919,112

INCOME FROM MERCH., JOBBING & CONTRACT WORK (Accts. 415-416)

Particulars	Water	Other	Total
Revenues from merch., jobbing and contract work:			
Gross Sales		52,996	52,996
Deductions:			
Discounts and allowances			
Merchandise returns			
Total deductions			
Net Sales		52,996	52,996
Cost of Merchandise sold		33,680	33,680
Gross profit from sales		19,316	19,316
Expenses (list hereunder expenses by major classes):			
Total expenses		-	-
Net Income (or loss) before taxes		19,316	19,316

OTHER INCOME

Report hereunder income and expenses relating to accounts 413, 414, 417, 418, 419, 421, and 422 before taxes and total for each account	
Description of Income or Expense	Amount
Income from utility plant leased to others (413): -NONE-	
Total (413)	
Income from disposition of utility property (414): Gain on Sale of Utility Property	
Total (414)	-
Income from nonutility operations (417): -NONE-	
Total (417)	
Nonoperating rental income (418): Rental Income - Nonutility Rental Expense - Nonutility	
Total (418)	-
Interest and dividend income (419): Interest income	1,996
Total (419)	1,996
Miscellaneous nonoperating income (421): Gain on Stock Sale Officer's Life Insurance	110,231
Total (421)	110,231
Income from disposition of property (422): Non-utility Property	
Total (422)	-

MISCELLANEOUS INCOME DEDUCTIONS

Report hereunder items included in accounts 425 and 426 and total for each account.	
Description of Item	Amount
Miscellaneous amortization (425): -NONE-	
Total (425)	
Miscellaneous income deductions (426): Officer's Life Insurance Donations Non-Operating Miscellaneous Expense	12,921 2,615
Total (426)	15,537

BALANCE SHEET

Assets and Other Debits	Page No.	Balance end of year	Balance first of year
UTILITY PLANT			
Utility plant (100)	F-8	5,682,433	5,070,923
Less accumulated provision for deprec. and amortization of utility plant (110)	F-8	2,880,768	2,790,078
Net utility plant		2,801,665	2,280,845
OTHER PROPERTY AND INVESTMENTS			
Nonutility property (121)	F-11	-	-
Less accumulated prov. for deprec. and amort. of nonutility property (122)	F-11	-	-
Net nonutility property		-	-
Other investments (124)	F-9	-	-
Special funds (125)	F-9	-	-
Total other property and investments		-	-
CURRENT AND ACCRUED ASSETS			
Cash and working funds (131)		12,093	51,202
Temporary cash investments (132)			
Notes receivable (141)	F-9	-	-
Customer accounts receivable (142)	F-9	1,310,340	1,077,925
Other accounts receivable (143)	F-9	-	-
Accum. provision for uncollectible accts. --cr. (144)	F-10	(4,000)	(4,000)
Notes receivable from associated companies (145)	F-9	-	-
Accts. receivable from associated companies (146)	F-9	-	-
Materials and supplies (154)	F-10	35,757	38,495
Gas storage (164)	F-10	-	-
Prepayments (165)	F-10	112,359	57,030
Total current and accrued assets		1,466,549	1,220,652
DEFERRED DEBITS			
Unamortized debt discount and expense (181)	F-11	-	-
Extraordinary property losses (182)	F-11	-	-
Other deferred debits (183)	F-11	12,048	24,795
Total deferred debits		12,048	24,795
Total assets and other debits		4,280,262	3,526,292

NOTES TO BALANCE SHEET

BALANCE SHEET, Cont.

Liabilities and other credits	Page No.	Balance end of year	Balance first of year
PROPRIETARY CAPITAL			
Common capital stock (201)	F-12	316,916	316,916
Preferred capital stock (204)	F-12		
Other paid-in capital (207)		120,539	120,539
Installments received on capital stock (212)			
Capital stock expense (214)			
Retained earnings (215 - 216)	F-12	1,041,408	919,112
Reacquired capital stock (217)			
Non-corporate proprietorship (218)			
Total proprietary capital		1,478,863	1,356,567
LONG-TERM DEBT			
Bonds (221)	F-12	-	-
Advances from associated companies (223)	F-12	-	-
	F-12	685,207	795,484
Total long-term debt		685,207	795,484
CURRENT AND ACCRUED LIABILITIES			
Notes payable (231)	F-13	496,156	75,092
Accounts payable (232)		1,245,767	1,025,985
Notes payable to associated companies (233)	F-13	-	-
Accounts payable to associated companies (234)	F-13	-	-
Customer deposits (235)		21,996	24,092
Taxes accrued (236)	F-13	-	-
Interest accrued (237)	F-14	-	-
Other current and accrued liabilities (238)		50,505	45,777
Total current and accrued liabilities		1,814,424	1,170,946
DEFERRED CREDITS			
Unamortized premium on debt (251)	F-11	-	-
Customer advances for construction (252)		301,332	202,945
Other deferred credits (253)		435	350
Accumulated deferred investment tax credits (255)	F-14		
Total deferred credits		301,767	203,295
OPERATING RESERVES			
Property insurance reserve (261)			
Injuries and damages reserve (262)			
Pensions and benefits reserve (263)			
Miscellaneous operating reserves (265)			
Total operating reserves		-	-
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in aid of construction (271)	F-15	-	-
Total liabilities and other credits		4,280,262	3,526,292

NOTES TO BALANCE SHEET

RETURN ON COMMON EQUITY COMPUTATION

Report data on a corporate basis; not a consolidated basis.		
Description	Thousands of dollars	
	Common Equity	Common Equity Plus ITC
Average Common Equity: (based on monthly averages if available, otherwise use average of beginning and end of year)		
Common Stock Outstanding	317	317
Premium on Capital Stock	121	121
Capital Stock Expense		
Retained Earnings	980	980
Deferred Investment Tax Credit		
Other (Specify)		
Total Average Common Stock Equity (Sum of Lines Above)	1418	1418
Net Income:		
Add:		
Net Income	240	240
Other (Specify):		
Less:		
Preferred Dividends		
Other (Specify):		
Adjusted Net Income	240	240
Percent Return on Equity (to nearest hundredth of a percent)	16.93%	16.93%

RETURN ON RATE BASE COMPUTATION

Report data on a corporate basis; not a consolidated basis.				
Thousands of Dollars				
Average Rate Base	Electric	Gas	Other	Total
Add Average:				
Utility Plant in Service		5377		5377
Allocation of Common Plant				
Completed Const. not Classif.				
Nuclear Fuel				
Materials and Supplies		37		37
Other (Specify)				
Less Average:				
Reserve for Depreciation		(2835)		(2835)
Amortization Reserves				
Customer Advances For Construction				
Contributions in Aid of Construction				
Other				
Average Net Rate Base		2579		2579
RETURN				
Total Operating Income		174		174
Less: (Specify)				
Adjusted Operating Income		174		174
Adjusted Operating Income as a Percent of Average Net Rate Base (Rounded To Nearest Hundredth of a Percent)		6.75%		6.75%

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

Report data necessary to calculate revenue subject to Wisconsin remainder assessment. For purposes of this schedule "out-of-state" and "in-state" refer to the geographic state of Wisconsin	
Description	This Year
Operating revenues - see G-1	7,847,954
Less: out-of-state operating revenues	
Less: in-state interdepartmental sales	
Less: current year write-offs of uncollectible accounts - Wisconsin utility customers only	(22,697)
Plus: current year collection of Wisconsin utility customer accounts previously written off	1,390
Other	
Revenues subject to Wisconsin remainder assessment	7,826,646

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization by utility departments after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.			
Particulars	Water	Other	Total
Plant accounts (101-109):			
Utility plant in service (101) - see G-5		5,682,433	5,682,433
Construction work in progress (107)			-
Other - (105)			-
Total utility plant (100)		5,682,433	5,682,433
Accumulated prov. for deprec. & amortization of utility plant (110)			2,880,768
Net utility plant			2,801,665

ACCUM. PROV. FOR DEPREC. & AMORTIZATION OF UTILITY PLANT

Particulars	Water	Other	Total
Balance first of year		2,790,078	2,790,078
Credits during year:			
Accruals charged depreciation account		157,421	157,421
Accruals charged other accounts (specify):			-
Salvage			-
Other credits (specify):			-
			-
Total credits		157,421	157,421
Total		2,947,499	2,947,499
Debits during year:			
Book cost of plant retired		(39,941)	(39,941)
Cost of removal			-
Other debits (Specify):			-
CIAC Amortization		(26,790)	(26,790)
			-
Total debits		(66,731)	(66,731)
Balance end of year		2,880,768	2,880,768

OTHER INVESTMENTS AND SPECIAL FUNDS (Accts. 124 & 125)

Report hereunder all investments carried in account 124, Other investments and in account 125, Special Funds. Show total by accounts.		
Description of Security or Special Fund	Face or par value	Book cost end of year
Other Investments (124):		
Total		-
Special Funds (125):		
Total		-

NOTES AND ACCOUNTS RECEIVABLE (Accts. 141-146)

Report hereunder notes and accounts receivable included in accounts 141, 142, 143, 145, and 146.		
Particulars	Accounts Receivable	Notes Receivable
Customer accounts receivable (142):		
Electric		
Water		
Gas	1,307,597	
Heating		
Merchandising, jobbing and contract work	2,743	
Total customer accounts receivable	1,310,340	
List below items included in accounts 141, 143, 145 and 146, showing total for each account.		
Notes receivable (141) (list):		
None		
Total	-	
Other accounts receivable (143) (list):		
Total	-	
Notes receivable from assoc. comp. (145) (list):		
Total	-	
Accts. receivable from assoc. comp. (146) (list):		
Total	-	

ACCUM. PROV. FOR UNCOLLECTIBLE ACCTS. (Acct. 144)

Particulars	Amount
Balance first of year	4,000
Add:	
Provision for uncollectibles during year	21,307
Collection of accounts previously written off	1,390
Utility accounts	
Others	
Total additions	22,697
Deduct accounts written off during year:	
Utility accounts	(22,697)
Others	
Total accounts written off	(22,697)
Balance end of year	4,000

Particulars	Generation Related	Transmission Related	Distribution Related	Other	Balance end of year
Electric utility					
Fuel					
Other					
Total electric					
Water utility					
Sewer utility					
Gas utility - Propane					
Merchandise					1,681
Other Materials & Supplies					34,076
Total Material & Supplies					35,757

GAS STORAGE (Acct. 164)

Particulars	Amount
Balance first of year	
Add:	
Commodity Storage Fees (164.11)	
Commodity Injection Fees (164.12)	
Commodity Withdrawal Fees (164.13)	
Other Storage Fees (164.14)	
Gas Commodity Costs Transferred to Storage - Dr. (164.23 or 164.33)	
Gas Transmission Expenses, Transferred to Storage - Dr. (164.53)	
Total additions	-
Deduct:	
Stored Gas Sold (164.16)	
Stored Gas Withdrawn for System Use (164.62)	
Stored Gas Forfeited (164.63)	
Total deductions	-
Balance end of year	-

PREPAYMENTS (Acct. 165)

Particulars	Balance end of year
Prepaid insurance	-
Prepaid rents	-
Prepaid postage	1,394
Prepaid PSC of Wis. remainder assessment	9,735
Other prepayments (specify):	
Software Licensing	10,000
Pre-paid Billing Supplies	5,617
Pre-paid Gross Receipts Tax	85,612
Total	112,359

NET NON-UTILITY PROPERTY (Accts. 121-122)

Report separately each item of property with a book cost of \$5,000 or more included in account 121. Other items may be grouped by classes of property.				
Description	Balance first of year	Additions during year	Deductions during year	Balance end of year
Non-utility Property				-
Total nonutility property (121)	-	-	-	-
Less accum. prov. for dep. & amort. (122)	-			-
Net nonutility property	-	-	-	-

UNAMORT. DEBT DIS. & EXP. & PREMIUM ON DEBT (Accts. 181&251)

Report net discount and expense or premium separately for each security issue.		
Debt Issue to Which Related	Amount written off during year	Balance end of year
Unamortized debt discount and expense (181):		
Unamortized Debt Expense		0
Total (181)	0	0
Unamortized premium on debt (251):		
-NONE-		
Total (251)		

MISCELLANEOUS DEFERRED DEBITS (Accts. 182 & 183)

Describe major items included in these accounts.	
Name of account and description of item	Balance end of year
Extraordinary property losses (182):	
-NONE-	
Total (182)	
Other deferred debits (183):	
Hammond Upgrade	11,858
Deferred Rate Case Expense	190
Total (183)	12,048

CAPITAL STOCK Accts. 201 and 204)

Particulars	Common Stock (201)	Preferred Stock (204)
Par or stated value per share	1.00	0
Total par value provided in articles of incorporation	500,000	0
Total par value issued	316,916	0
Dividends declared per share for year		0

RETAINED EARNINGS (Accts. 215-216)

Particulars	Appropriated -215	Unapprop'd -216
Balance first of year		919,112
Changes during year (explain):		
Net Income - see page 6		240,696
Cash Dividends - see page 7		(118,400)
Balance end of year		1,041,408

LONG-TERM DEBT (Accts. 221, 223 and 224)

Report hereunder information for each separate issue of debt and total for each account. Show principal amount to which each interest rate applies.					
Description of obligation	Nom. date of issue	Date of maturity	Interest		Prin. amount per bal. sheet
			Rate	Dates	
Bonds (221):					
Total (221)					
Advances from affiliates (223):					
Total (223)					
Other long-term debt (224):					
US Bank Wisconsin		Sept. 27, 2007	5.85%	Monthly	171,630
US Bank Wisconsin	Sept. 1, 2001	Sept. 1, 2007	6.35%	Monthly	508,796
Land Contract Assessment for Water and Sewer	Jan. 1, 1996	Jan. 1, 2008	6.00%	Yearly	4,781
Total (224)					685,207

NOTES AND ACCOUNTS PAYABLE (Accts. 231, 233 and 234)

Report details of Notes Payable (231) and of Notes and Accounts Payable to Associated Companies (233 and 234) as of end of year. Give description of notes including interest rates and dates of issue.	
Description	Amount
Notes payable (231):	
US Bank-Line of Credit	128,156
Dominion Investments	368,000
Total (231)	496,156
Notes payable to associated companies (233):	
Total (233)	
Accounts payable to associated companies (234):	
Total (234)	

TAXES ACCRUED (Acct. 236)

Particulars	Water	Electric	Gas	Total
Balance first of year				-
Accruals charged during year:				-
Wisconsin ad valorem tax				-
Local property tax				-
State income tax				-
Federal income tax				-
W.P.S.C. remainder assessment			-	-
Social Security taxes				-
Other (specify):				-
State and Federal Excise				-
Total credits			-	-
Total			-	-
Taxes paid during year:				-
Wisconsin ad valorem tax				-
Local property tax				-
State income tax				-
Federal income tax				-
W.P.S.C. remainder assessment				-
Social Security taxes				-
Other (specify):				-
State and Federal Excise				-
Total debits			-	-
Balance end of year			-	-

INTEREST ACCRUED (Acct. 237)

Report below interest accrued on each utility obligation and total by each class of obligation.				
Description of Obligations	Interest accrued bal. 1st of year	Interest accrued during year	Interest paid during year	Interest accrued bal. end of year
Bonds (list each issue)				
Total				
Advances from assoc. companies				
Total				
Other long-term debt:				
US Bank Wisconsin	0	46,750	46,750	0
	0			0
Other	0	292	292	0
Other				
Total	0	47,042	47,042	-
Notes payable:				
US Bank Wisconsin	0	1,549	1,549	0
	0			0
	0			0
Total	0	1,549	1,549	0

ACCUM. DEFERRED INVESTMENT TAX CREDITS (Acct. 255)

Description	Bal. first of year	Charges during year	Credits during year	Bal. end of year
Electric				
Gas				
Water				
Heating				
Total utility				
Non-utility				
Total				

CONTRIBUTIONS IN AID OF CONSTRUCTION (Acct. 271)

Class of utility service	Balance first of year	Credits during year	Charges during year		Balance end of year
			Acct. no. Credited	Amount	
Electric- Transmission Distribution Other					
Total					
Gas water Steam Heating					0
Total					0

Show total compensation paid each elected officer during the year, including bonuses and other allowances. Furnish particulars as to bonuses or allowances. Show final distribution of payroll including amounts from clearing accounts.		
OFFICER'S COMPENSATION		
Name	Official Title	Total compensation
Donald J. Piegras	President and Treasurer	105,521
Martha W. Piegras	Vice President & Sec'y	65,712
Judith G. Snoeyenbos	Asst. Treasurer	46,480
Total		217,713

DISTRIBUTION OF TOTAL PAYROLL

Accounts Charged	Amount
Water operating expenses	
Electric operating expenses	
Gas operating expenses	515,380
Heating operating expenses	
Merchandising & jobbing	13,556
Other nonutility expenses	
Utility plant accounts	55,082
Accum. prov. for deprec. of plant	
Total all other accounts	
Total payroll	584,018

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

- 1) Acquisitions, mergers, consolidation, or reorganization with other companies.
- 2) Details of new or significant changes in leasehold arrangements.
- 3) Estimated changes in revenues due to rate changes.
- 4) Obligations incurred or assumed, excluding commercial paper.
- 5) Changes in articles of incorporation or amendments to charter.
- 6) Docketed proceedings with the Commission.
- 7) Any additional matters.

New dockets:

5230-GR-104 Application to increase rates

5230-SB-109 Application for authority to issue \$225,000 long term first mortgage notes

GAS OPERATING REVENUES AND EXPENSES (Class C and D)

Particulars	Rate schedule designation	Therms sold	Average number customers	Amount
OPERATING REVENUES				
SALES OF GAS				
Residential sales (480)	Rg-1	5,815,473	6,006	5,063,744
Commercial and industrial sales (481)	Cg-1	2,543,531	520	1,999,659
	Ig-1	352,918	4	228,483
	Ig-2	638,294	2	402,991
	Pg-1	170,369	1	112,139
Sales for resale (483)				
Interdepartmental sales (484)				
Total sales of gas		9,520,585	6,533	7,807,016
OTHER GAS REVENUES				
Forfeited discounts (487)				34,526
Miscellaneous service revenues (488)		See page G-2		5,780
Transportation of gas of others (489)				
Rent from gas property (493)		See page G-2		-
Interdepartmental rents (494)		See page G-2		-
Other gas revenues (495)		See page G-2		631
Total other operating revenues				40,937
Total operating revenues (400)				7,847,954
OPERATING EXPENSES				
Total operating and maintenance expenses		See page G02		7,429,703
Depreciation expenses (403)				144,483
Amortization of limited-term utility plant (404)				12,937
Amortization of other utility plant (405)				
Amortization of utility plant acquisition adjustments (406)				
Amortization of property losses (407.1)				
Taxes other than income taxes (408.1)		See below		87,210
Income taxes (409.1)		See below		391
Investment tax credits, deferred to future periods (412.1)				
Investment tax credits, restored to operating income (412.2)				
Total operating expenses				7,674,724
Operating income				173,229

TAXES OTHER THAN INCOME TAXES (Acct. 408.1)

Where allocation of taxes is made between departments, explain method used.		
Description of Tax	Method used to allocate between departments	Amount
Property tax	N/A	
Social Security	N/A	36,548
Wis. gross receipts tax	N/A	45,379
Others (specify):	N/A	
Wisconsin Remainder	N/A	5,283
Total		87,210

INCOME TAXES (Acct. 409.1)

Where allocation of taxes is made between departments, explain method used.		
Description of Tax		Method used to allocate between
Federal		N/A
State	Recycling Surcharge	N/A
Total		391

OTHER OPERATING REVENUES (Accts. 488, 493, 494 & 495)

Show separate totals for each account and explain major items of each account, grouping minor items by classes.	
Particulars	Amount
Miscellaneous service revenues (488) Turn on fees	5780
Total	5780
Rent from gas property (493) -NONE-	
Total	
Interdepartmental rents (494) -NONE-	
Total	
Other gas revenue (495) Sales tax discount	631
Total	631

INJURIES AND DAMAGES INSURANCE

What insurance coverage does utility carry for injury and damage claims of customers or the general public?
General Liability - \$1,000,000 - \$3,000,000
Umbrella Liability - \$2,000,000

OPERATION AND MAINTENANCE EXPENSES (Class C and D)

Particulars	Operation Exp.	Mainten. Exp.
MANUFACTURED GAS PRODUCTION		
Supervision and labor (710)		
Fuel (724.1)		
Raw materials (729.1)		
Residuals produced --credit (731)		
Rents (736)		
Supplies and expenses (737)		
Maintenance of production plant (743)		
Total manufactured gas production	-	-
OTHER GAS SUPPLY EXPENSES		
Natural gas purchases (804) - See page 25 for detail.	6,339,202	
Purchased gas expenses (807)		
Gas used in utility operation --credit (812.1)	(2,785)	
Total other gas supply expenses	6,336,417	-
DISTRIBUTION EXPENSES		
Supervision (870)	46,472	
Mains and service expense (874)	71,101	
Meter and house regulator expenses (878)	7,963	
Customer installation expenses (879)	5,016	
Miscellaneous distribution expenses (880.1)	81,460	
Rents (881)		
Maintenance of lines (892.1)		21,152
Maintenance of meters and house regulators (893)		13,279
Maintenance of other plant (895)		24,360
Total distribution expenses	212,013	58,791
CUSTOMER ACCOUNTS EXPENSES		
Meter reading expense (902)	92,167	
Customer Records and Collection Expense (903)	120,464	
Uncollectible accounts (904)	19,917	
Total customer accounts expenses	232,549	-
CUSTOMER SERVICE EXPENSES		
Customer service & information expenses (906)	21,735	
SALES PROMOTION EXPENSES		
Sales expenses (917)		
ADMINISTRATIVE AND GENERAL EXPENSES		
Administrative and general salaries (920)	131,716	
Office supplies and other expenses (921)	44,688	
Administrative expense transferred -- credit (922)		
Outside services employed (923)	51,417	
Property insurance (924)	9,011	
Injuries and damages (925)	34,138	
Employee pensions and benefits (926)	133,633	
Franchise requirements (927)		
Regulatory commission expenses (928)	12,142	
Duplicate charges --cr. (929)		
General advertising expenses (930.1)	330	
Miscellaneous general expenses (930.2)	22,552	
Rents (931)	82,255	
Transportation expenses (933)	28,622	
Maintenance of general plant (935)		17,695
Total administrative and general expenses	550,503	17,695
Total operation and maintenance expenses	7,353,217	76,486

NATURAL GAS PURCHASES - Acct. 804

Particulars	Amount
GAS PURCHASING EXPENSES (804.10)	
Wages & Salaries (804.11)	4,067
Supplies & Expenses (804.12)	
Misc. Expenses (804.13)	-
Total (804.10)	4,067
PURCHASED GAS EXPENSES (804.20)	
Add:	
Gas Contract Reservation Fees (804.21)	
Gas Contract Commodity Costs (804.22)	3,313,415
Spot Purchases (804.23)	2,007,785
Other Purchases (804.24)	14,212
Gas Surcharges (804.25)	12,394
Financial Instruments Expense (804.26)	
Gas Purchase Miscellaneous Expense (804.27)	26,463
Total additions	5,374,269
Less	
Purchased Gas Sold - Cr. (804.32)	
Gas Commodity Costs, Transferred to Storage - Cr. (804.33) = (164.23 or 164.33)	
Gas Used in Operations - Cr. (804.34)	
Gas Used for Transmission Pumping & Compression - Cr. (804.35)	59,497
Total deductions	59,497
Net end of year (804.20)	5,314,772
GAS TRANSMISSION EXPENSES (804.40)	
Add:	
Transmission Contract Reservation Fees (804.41)	962,299
Commodity Transmission Fees (804.42)	24,979
Gas Transmission Surcharges (804.43)	3,218
Gas Transmission Fuel Expense (804.44) = (804.35)	59,497
No Notice Service Fees (804.45)	20,380
Other Transmission Services Purchased (804.46)	8
Agency Fees and Expenses (804.47)	
Misc. Transmission Expenses (804.48)	
Penalties, Unauthorized Use and Overrun, Utility (804.49)	
Penalties, Unauthorized Use and Overrun, End-User (804.51)	
Total additions	1,070,380
Less	
Transmission Services Sold - Cr. (804.52)	50,017
Gas Transmission Expense, Transferred to Storage - Cr. (804.53) = (164.53)	
Gas Transmission Expense, Used in Operations - Cr. (804.54)	
Total deductions	50,017
Net end of year (804.40)	1,020,363
STORAGE GAS EXPENSE (804.60)	
Add:	
Storage Reservation Fees (804.61)	-
Gas Costs from Storage (804.62) = (164.62)	-
Storage Penalties (804.63) = (164.63)	
Total additions	-
Less	
Storage Capacity Released or Sold (804.72)	
Total deductions	-
Net end of year (804.60)	-
TOTAL - NATURAL GAS PURCHASES - Acct. 804	6,339,202

GAS UTILITY PLANT IN SERVICE (Acct. 101) (Class C&D)

Include in column (e) entries reclassifying property from one account to another.					
Account (a)	Balance 1st of year (b)	Additions during year (c)	Retirements during year (d)	Adjustments increase or (decrease) (e)	Balance end of year (f)
INTANGIBLE					
Organization (301)	2,180				2,180
Franchises and consents (302)	37,212				37,212
Miscellaneous intangible plant (303)	16,968				16,968
Total intangible plant	56,360	-			56,360
PRODUCTION					
Land and land rights (304)	-				-
Structures and improvements (305)	-				-
Liquefied petroleum gas equip. (311)	-				-
Total production plant	-			-	-
Land and land rights (360)	-				-
Structures and improvements (361)	-				-
Gas holders (362)	-				-
Total storage plant	-	-	-		-
TRANSMISSION					
list accounts:					
Total transmission plant	-	-	-		-
DISTRIBUTION					
Land and land rights (374)	40,907				40,907
Structures and improvements (375)	167,286				167,286
Mains (376)	2,278,658	57,918	3,018		2,333,558
Compressor station equipment (377)	-				-
Meas. and reg. sta. eq-gen'l. (378)	125,498		21,933		103,565
Meas. and reg. sta. eq.-cty. gate (379)	55,160				55,160
Services (380)	933,839	59,522	1,288		992,073
Meters (381)	644,411	75,137	1,603		717,945
House regulators (383)	180,019	4,718			184,737
Ind. meas. and reg. sta. eq. (385)	50,006				50,006
Property on customers' premises (386)	11,650	4,621			16,271
Total distribution plant	4,487,434	201,916	27,842		4,661,508
GENERAL					
Land and land rights (389)	-	120,260			120,260
Structures and improvements (390)	4,398	340,000			344,398
Office furniture and equipment (391)	240,689	2,003	1,694		240,998
Transportation equipment (392)	117,258	2,553	29,718		90,093
Stores equipment (393)	-				-
Tools, shop and garage equipment (394)	46,140	3,681	2,292		47,529
Laboratory equipment (395)	-				-
Power-operated equipment (396)	103,860	2,638			106,498
Communication equipment (397)	14,792				14,792
Miscellaneous equipment (398)	-				-
Other tangible property (399)	-				-
Total general property	527,133	471,135	33,704		964,564
Total gas utility plant	5,070,925	673,053	61,544		5,682,433

SUMMARY OF GAS ACCOUNT

Report below the specified information for each operating area constituting a separate gas system				
Particulars (a)	Total all system therms (b)	System therms ©	System therms (d)	System therms (e)
System Name		River Falls	Prescott	Hammond
Gas produced (gross):				
Propane-air	0			
other gas				
Total gas produced	0			
Gas purchased:				
Natural	9,619,730	6,664,620	1,885,300	1,069,810
Other gas	-			
Total gas purchased	9,619,730	6,664,620	1,885,300	1,069,810
Less: Gas delivered to storage				
Total (lines 14+18+19-20)	9,619,730	6,664,620	1,885,300	1,069,810
Transport gas received				
Total gas del. to mains (lines 21+22)	9,619,730	6,664,620	1,885,300	1,069,810
Gas sold (incl. interdepartmental)	9,520,585	6,543,584	1,895,941	1,081,060
Gas used by utility	4,162	4,162		
Transport gas delivered				
Total (lines 24+25+26)	9,524,747	6,547,746	1,895,941	1,081,060
Gas unaccounted for (line 23-27)	94,983	116,874	(10,641)	(11,250)

SUMMARY OF SYSTEM LOAD STATISTICS

Report below the data specified for each operating area constituting a separate gas system.				
Particulars (a)	Total all system therms (b)	System therms ©	System therms (d)	System therms (e)
System Name		River Falls	Prescott	Hammond
Maximum send-out in any one day	86,670	63,160	18,040	9,730
Date of such maximum (mo./day/yr.)	12/22/2004	12/22/2004	1/29/2004	1/29/2004
Maximum daily capacity				
Total manufactured-gas production capacity				
Liquefied natural gas storage capacity				
Maximum daily purchase capacity	92000	62900	19500	9600
Total maximum daily capacity: production liquefied natural gas storage, and purchases	92000	62900	19500	9600
Monthly send-out: January	1,827,760	1,219,930	397,280	210,550
February	1,359,860	915,680	289,620	154,560
March	1,077,890	732,590	219,650	125,650
April	638,640	461,730	109,140	67,770
May	397,590	285,620	64,030	47,940
June	307,030	237,180	39,320	30,530
July	269,320	207,410	34,780	27,130
August	302,150	231,230	37,460	33,460
September	295,590	227,130	35,980	32,480
October	664,200	473,640	123,530	67,030
November	950,630	636,490	212,030	102,110
December	1,529,070	1,035,990	322,480	170,600
Total send-out	9,619,730	6,664,620	1,885,300	1,069,810

MANUFACTURED GAS PRODUCTION EQUIPMENT

Where data are requested for each item of equipment, the number of items of each size or description should be shown.			
Particulars	Plant	Plant	Plant
LIQUEFIED PETROLEUM APPARATUS			
Plant name			
Number of tanks for storing liquefied petroleum gas			0
Total capacity in gallons			0
OTHER GAS PRODUCTION APPARATUS			
Type			
Total maximum daily capacity			0
Description (specify appropriate data):			
This plant was retired in 2002			

GAS PRODUCTION STATISTICS

Location of plant (a)	Type of plant (b)	Maximum daily capacity Therms (c)	Therms produced during year (d)	Total investment end of year (e)	Total production expense for year (f)
TOTAL					0

GAS HOLDERS

Location	Telescopic & piston holders		Pressure holders		
	Number	Capacity therms	Capacity at atmos. pressure	Design pressure	Operated pressure
None					

PURCHASED GAS

Report below the specified information for each point of metering			
Particulars (a)	(b)	(c)	(d)
Name of vendor		BP Canada	
Point of metering		Hammond	
Type of gas purchased		Natural	
Therms of gas purchased:		1,069,810	
Total cost of gas purchased		\$ 704,530	
Average cost per therm of gas purchased:		\$ 0.6586	
Maximum therms purchased in any one day		9,730	
Date of such maximum purchase (day/mo./yr.)		1/29/2004	
Average B.t.u. content per cu. ft. of gas		1.009	
Name of vendor		BP Canada	
		Prescott	
Type of gas purchased		Natural	
Therms of gas purchased:		1,885,300	
Total cost of gas purchased		\$ 1,241,576	
Average cost per therm of gas purchased:		\$ 0.6586	
Maximum therms purchased in any one day		18,040	
Date of such maximum purchase (day/mo./yr.)		1/29/2004	
Average B.t.u. content per cu. ft. of gas		1.009	
Name of vendor		BP Canada	
Point of metering		River Falls	
Type of gas purchased		Natural	
Therms of gas purchased:		6,664,620	
Total cost of gas purchased		\$ 4,389,028	
Average cost per therm of gas purchased:		\$ 0.6586	
Maximum therms purchased in any one day		63,160	
Date of such maximum purchase (day/mo./yr.)		12/22/2004	
Average B.t.u. content per cu. ft. of gas		1.009	

TRANSMISSION AND DISTRIBUTION MAINS

Report the information specified regarding mains for each operating area constituting a separate gas system. Report the data for each size and type of pipe separately under each system.						
System (a)	Size of pipe (b)	Type of pipe (c)	Number of feet			
			First of year (d)	Added during year (e)	Retired during year (f)	End of year (g)
Hammond	3/4"	Plastic	992			992
	1 1/4 "	Plastic	9,734			9,734
	2"	Plastic	32,903			32,903
	1"	Steel	385			385
	2"	Steel	17,800			17,800
	3"	Steel	2,174			2,174
Prescott	3/4"	Plastic	1,308			1,308
	1 1/4"	Plastic	13,878	4,669		18,547
	2"	Plastic	72,709	434		73,143
	4"	Plastic	2,884			2,884
	3/4"	Steel	520			520
	1 1/2"	Steel	1,982			1,982
	2"	Steel	35,608		888	34,720
	3"	Steel	8,314			8,314
	4"	Steel	3,068			3,068
	6"	Steel	3,546			3,546
	1/2 "	Plastic	340			340
	3/4"	Plastic	9,145	1,458	652	9,951
	1 1/4"	Plastic	69,584	25,835		95,419
River Falls	2"	Plastic	311,908	18,498		330,406
	3"	Plastic	12,264	6,590		18,854
	4"	Plastic	60,000			60,000
	6"	Plastic	7,784			7,784
	3/4"	Steel	147			147
	1"	Steel	1,644			1,644
	1 1/2"	Steel	457			457
	2"	Steel	88,680			88,680
	3"	Steel	12,409			12,409
	4"	Steel	31,717			31,717
	6"	Steel	13,791			13,791
	8"	Steel	9,987			9,987
TOTALS			837,662	57,484	1,540	893,606

NAMES OF CITIES, VILLAGES AND TOWNS

Number of customers in each, supplied directly with gas by this utility, at end of year. Report in alphabetical order first, cities, and second, incorporated villages. Next, Report towns in alphabetical order under each county, also listed in alphabetical order. Show total for each group and for total company. (CLASS C & D)				
Location (a)	Customers end of year (b)		Location (a)	Customers end of year (b)
Cities			Towns	
Hammond (St. Croix Cty.)	684		Town of Clifton	102
Prescott (Pierce Cty.)	1,481		Town of Kinnickinnic	10
River Falls (St. Croix Cty.)	790		Town of River Falls	163
River Falls, (Pierce Cty.)	2,754		Town of Troy	709
Total Customers, cities	5,709		Total customers, towns	984
			Total customers, company	6,693

GAS SERVICES

Number of services should include only those owned by utility							
Size (a)	Number added during year		Number retired during year		Total services end of year		
	Main to curb (b)	On customers premises (c)	Main to curb (d)	On customers premises (e)	Main to curb (f)	On customers premises (g)	
1/2"		256	256	1	1	2,936	2,936
3/4"		2	2	4	4	3,427	3,427
1"						4	4
1 1/4 "						1	1
1 1/2"						10	10
2"			2	2		51	51
4"						2	2
6"						1	1
Total		258	258	7	7	6,432	6,432

Have inactive services been retired in accordance with requirements of paragraph C of Account 380 of Uniform System of Accounts?	
Have inactive services been disconnected from the gas supply in accordance with section PSC 135.07(9) Wisc. Administrative Code?	

GAS METERS

Number of meters should include only those carried in Utility Plant Account 381.	
Particulars (a)	Number end of year (b)
Diaphragmed meters (capacity at 1/2 inch water column pressure drop):	
2,400 cu. ft. per hour or less	6,776
Over 2,400 cu. ft. per hour	17
Rotary meters	25
Orifice meters	
Total end of year	6,818
In stock	128
Locked meters on customer's premises	16
Regular meters in customer's use	6,674
Prepayment meters in customer's use	
Meters in company use, included in Acct. 381	6,818
Total end of year (as above)	6,818
No. of diaphragmed meters at end of year which compensate for temperature	6,793
Number of house regulators installed at end of year	6,064

Attach to this sheet a map or maps of the territory served, showing location & company designation of points of purchase, production plants, large compressor stations and transmission lines. Show also the names of larger communities served and the boundaries of the utilities operating divisions.